

 **ORIGINAL**

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

'07 CIV 11503

MOUNTAIN RIDGE DEVELOPMENT, LLC, and
THE JARMISON GROUP OF NEW YORK, LLC

NOTICE OF REMOVAL

Plaintiffs,

-against-

Case No.

Karas

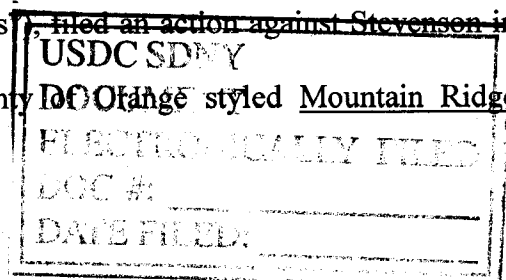
STEVENSON MILLWORK, INC. and STEVENSON
LUMBER COMPANY-NEWBURGH, INC.,

Defendant.

Defendants, Stevenson Lumber Company-Newburgh, Inc. and Stevenson Millwork, Inc.,
(together, "Stevenson") are the defendants in the civil action commenced on December 4, 2007,
in the Supreme Court of the State of New York, County of Orange. By their undersigned
counsel and pursuant to 28 U.S.C. §§ 1441 and 1446 and Local Civil Rule 81.1, Stevenson
hereby gives notice that it is removing the action entitled Mountain Ridge Development, LLC
and The Jarmison Group of New York, LLC v. Stevenson Millwork, Inc. and Stevenson Lumber
Company-Newburgh, Inc., Index No. 2007-11686, from the Supreme Court of the State of New
York, County of Orange to the United States District Court for the Southern District of New
York which is the judicial district in which the action is pending. As grounds therefore,
Stevenson respectfully avers as follows:

INTRODUCTION

1. On or about December 4, 2007, plaintiffs, Mountain Ridge Development, LLC
and The Jarmison Group of New York, LLC ("Plaintiffs"), filed an action against Stevenson in
the Supreme Court of the State of New York, County of Orange styled Mountain Ridge



Development, LLC and The Jarmison Group of New York, LLC v. Stevenson Millwork, Inc. and Stevenson Lumber Company-Newburgh, Inc., Index No. 2007-11686.

2. On or about December 12, 2007, counsel for Stevenson received a “courtesy” copy of the Summons and Complaint, along with an Order to Show Cause (Giacomo, J.) dated December 10, 2007, but has yet to be served. A true and correct copy of the Summons and Complaint are attached hereto as Exhibit “A”. A true and correct copy of the Order to Show Cause, as well as the papers it was granted upon, are attached hereto as Exhibit “B”. No additional pleadings, orders or other papers have been provided to Stevenson by Plaintiffs.

3. This Notice of Removal is being filed within thirty (30) days after Stevenson received a “courtesy” copy of the Summons and Complaint, and is timely filed under 28 U.S.C. §1446(b).

THE GROUNDS FOR REMOVAL OF THIS ACTION

4. On or about December 4, 2007, Plaintiffs filed the Summons and Complaint in the Supreme Court of the State of New York, County of Orange, Index No. 2007-11686.

5. There is complete diversity of citizenship between plaintiffs and defendants.

6. Plaintiff Mountain Ridge Development, LLC is a New York limited liability company with its principal place of business located at 758 State Highway 18, Suite 103, East Brunswick, New Jersey.

7. Plaintiff Jarmison Group of New York, LLC is a New York limited liability company with its principal place of business located at 758 State Highway 18, Suite 103, East Brunswick, New Jersey.

8. Defendant Stevenson Millwork, Inc. is a Delaware corporation with its principal place of business located at 1585 Monroe Turnpike, Stevenson, Connecticut.

9. Defendant Stevenson Lumber Company-Newburgh, Inc. is a Delaware corporation with its principal place of business located at 1585 Monroe Turnpike, Stevenson, Connecticut.

10. The amount in controversy in this matter exceeds Seventy-Five Thousand Dollars (\$75,000), exclusive of interest and costs.

11. This court would have had original subject matter jurisdiction of this action under the provisions of 28 U.S.C. §1332 if the action had originally been brought in federal court. Removal is, therefore, proper under 28 U.S.C §1441(a). Further, the named defendants are foreign corporations that do not have a principal place of business in New York.

10. This Notice of Removal is timely under 28 U.S.C. §1446(b) because the Summons and Complaint in this action have not yet been properly served upon defendants.

11. Pursuant to 28 U.S.C. § 1446(a) all state-court papers served on defendants at the time of removal are attached hereto as Exhibits "A" and "B".

12. A Notice of Filing of Notice of Removal will be filed with the Supreme Court of the State of New York, County of Orange. A copy of that notice is attached hereto as Exhibit "C."

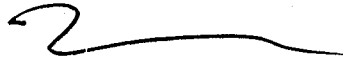
13. Furthermore, pursuant to Local Civil Rule 81.1, within twenty (20) days after the filing of this Notice of Removal, Stevenson shall cause to be filed true and legible copies of all other papers, if any, then on file in the state court, together with a certification from counsel that all filings in the state court action have been filed in the United States District Court for the Southern District of New York.

WHEREFORE, Stevenson respectfully submits, based upon the allegations of this Notice of Removal, that this action is properly removable and requests that this Court retain jurisdiction over the same.

Dated: White Plains, New York
December 21, 2007

Respectfully submitted,

WELBY, BRADY & GREENBLATT, LLP



Thomas Tripodianos (TST-0048)
Attorneys for Defendants
Stevenson Millwork, Inc.
Stevenson Lumber Company-Newburgh, Inc.
Westchester Financial Center
11 Martine Avenue, Penthouse
White Plains, New York 10606
Tel (914) 428-2100

CERTIFICATE OF COMPLIANCE

The undersigned certifies that, in compliance with the requirements of 28 U.S.C. §1446(d), written notice of the removal of was given to defendant, along with a copy of the Notice of Removal filed in this Court. This notice was given on the 21th day of December, 2007 to their attorney of record by first-class mail, postage prepaid, to:

David M. Saltzman, Esq.
100 Delafield Lane
Newburgh, New York 12550

Dated: White Plains, New York
December 21, 2007

Respectfully submitted,

WELBY, BRADY & GREENBLATT, LLP



Thomas Tripodianos (TST-0048)
Attorneys for Defendants
Stevenson Millwork, Inc.
Stevenson Lumber Company-Newburgh, Inc.
Westchester Financial Center
11 Martine Avenue, Penthouse
White Plains, New York 10606
Tel (914) 428-2100

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

MOUNTAIN RIDGE DEVELOPMENT, LLC :
THE JARMISON GROUP OF NEW YORK, LLC :

Plaintiff(s),

-against-

STEVENSON MILLWORK, INC and
STEVENSON LUMBER COMPANY
NEWBURGH, INC

Defendant.

Index No. **2007 - 11686**

SUMMONS

Venue is based on place of
Occurrence of causes of action

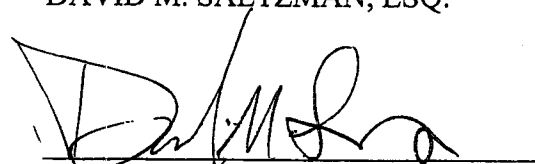
To the above named Defendant(s):

You are hereby summoned to answer the Verified Complaint in this action and to serve a copy of your Answer or, if the Verified Complaint is not served with this Summons, to serve a Notice of Appearance, on the Plaintiff's attorney(s) within 20 days after the service of this Summons, exclusive of the day of service (or within 30 days after the service is complete if this Summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you for the relief demanded in the Verified Complaint.

Dated: Newburgh, New York
November 30, 2007

Respectfully submitted,

DAVID M. SALTZMAN, ESQ.



Attorney for Plaintiffs,
Mountain Ridge Development, LLC &
Jarmison Group of New York, LLC
100 Delafield Lane
Newburgh, NY 12550
(845) 566-3156

FILED
ORANGE COUNTY CLERK
DEC - 4 P
39

ORIGINAL FILED

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

MOUNTAIN RIDGE DEVELOPMENT, LLC, and
JARMISON GROUP OF NEW YORK, LLC,
Plaintiffs,

- against -

STEVENSON MILLWORK, INC., and
STEVENSON LUMBER COMPANY-NEWBURGH,
INC

Defendants,

Index No. 2007 - 11686

VERIFIED COMPLAINT

ORIGINAL FILED
FILED
ORANGE COUNTY CLERK
2007 DEC -11 P 3:34

Plaintiffs, MOUNTAIN RIDGE DEVELOPMENT, LLC, as land owner JARMISON GROUP OF NEW YORK, LLC as General Contractor by and through its Attorney, David M. Saltzman, Esq. upon its verified complaint against Defendants alleges the following:

PARTIES

1. At all times hereinafter mentioned, Plaintiff Mountain Ridge Development, LLC (hereinafter "Mountain Ridge") was and is a domestic Limited Liability Company duly formed and organized under the laws of the State of New York, with a principal place of business at 758 State Highway 18, Suite 103, East Brunswick, NJ 08816.
2. At all times hereinafter mentioned, Plaintiff Jarmison Group of New York, LLC (hereinafter "Jarmison") was and is a domestic Limited Liability Company duly formed and organized under the laws of the State of New York, with a principal place of business at 758 State Highway 18, Suite 103, East Brunswick, NJ 08816.
3. Upon information and belief, Defendant, Stevenson Millwork, Inc., (hereinafter "Stevenson") is a validly existing domestic corporation duly formed and organized under the laws of the State of Connecticut, with a principal place of business located at 1585 Monroe Turnpike, Stevenson, CT 06491.

4. Upon information and belief, Defendant, Stevenson Lumber Company-Newburgh, Inc. (hereinafter "Stevenson-Newburgh") is a validly existing domestic corporation duly formed and organized under the laws of the State of Connecticut, with a principal place of business located at 1585 Monroe Turnpike, Stevenson, CT 06491.

FACTS

5. Mountain Ridge Development, LLC is the Land owner of a certain tract of land located in Newburgh, New York. This Land is currently in the process of being developed by the erection of 28 condominium units which consist of five (5) buildings numbered 10, 11, 12, 13 and 14. The name of the development is the "Highland Manor Townhomes". At this time, buildings 10 and 11 are in the earliest stages of construction.

6. Jarmison is a General Contractor who is currently under contract to build the 28 unit condominium community on the tract of land owned by Mountain Ridge Development, LLC located in Newburgh, NY, known as "Highland Manor Townhomes" (hereinafter the "Site") which is owned by Mountain Ridge Development, LLC.

7. Jarmison and The Stevenson entities entered into various Purchase Order Agreements for Stevenson to provide building materials at the Site.

8. Plaintiff Jarmison requested materials via a purchase order methodology by which each unit/or home at the location issued a purchase order for materials to be used at the site.

9. Payment for the work under the Purchase Order Agreements was to be paid in regular intervals following the delivery of building materials to the site.

10. Defendant commenced deliveries at the Site starting on or about May 2007 and delivered materials to buildings 12, 13, and 14.

11. At the time Defendants began to deliver materials to the site. The site consisted of the final phase of a multi phase development. Buildings 10 and 11 have currently stopped Construction on Buildings 10 and 11 but has not yet reached the stage where any lumber is used.

12. Due to an unfortunate market downturn, Plaintiff Jarmison became unable to make payments to the Defendant for the materials provided.

13. Thereafter; due to Plaintiffs inability to make payments, Defendants filed three (3) Mechanic's Liens, all dated November 5, 2007, for the Buildings and lots included in the attached Schedule A which was taken from Defendant's lien filings.

14. Defendant only provided materials to building 12, 13 and 14 of the site.

15. The Mechanic's liens were filed against nearly the entire project, which includes units which were previously conveyed to good faith purchasers, which closings occurred in September and October 2007, prior to the lien filings.

16. Defendants' Mechanic's Liens were filed against all of the buildings and previously sold units for which it was not entitled to lien.

17. Plaintiff notified the Counsel for the Defendants that their liens were exaggerated, over expansive and included buildings and units for which it did not have the right to via correspondence dated November 9, 2007 and November 28, 2007.

18. Counsel for the defendant either denied Plaintiff's written request or failed to act and voluntarily vacate the Mechanic's Liens placed on the land owned by Mountain Ridge Development and currently under construction and development by Jarmison.

COUNT ONE

19. Defendants and Plaintiffs had an existing commercial relationship where defendants provided lumber and construction materials to plaintiffs.

20. Late in 2007, Plaintiff Mountain Ridge Development, LLC became unable to make payments on materials provided to plaintiffs.

21. Defendants filed three (3) a Mechanic's Liens against the Land and by the Plaintiff Mountain Ridge on land which it owns in Newburgh, NY, which are included in Schedule A, which is attached hereto.

22. Said lien was exaggerated and covered additional land namely Buildings 10 and 11 for which Defendants provided no materials for, which it was not entitled to file a Mechanic's Liens, due to the fact that it had provided no materials.

23. Defendants were notified about the over exaggerated liens by letters dated November 19, 2007 and November 27, 2007 of counsel and the interests of Jamison Group of New York, LLC on November 7, 2007 and demanded the immediate removal of the lien.

24. Defendant failed and continues to fail to voluntarily vacate the Mechanic's Liens to the detriment of Mountain Ridge Development, LLC. in violation of Sections 3, 4, 9, and 39(a) of the New York lien law.

WHEREFORE, Plaintiff Jarmison Group of New York, LLC demands Judgment as follows:

1. Judgment against the Defendant;
2. Immediate and permanent Discharge of the Mechanic's Liens filed by Defendant's Stevenson Millwork, LLC and Stevenson Lumber Company-Newburgh, Inc. v. Mountain Ridge Development, LLC and Jarmison Group of New York, LLC against the real property listed in the attached Schedule A.
3. Compensatory Damages in an amount to be determined by the Court but not less than \$150,000.00 along with costs disbursements, reasonable attorneys fees and interests;
4. Punitive Damages of \$250,000.00;
5. Sanctions against both the defendants and its counsel for the improper lien filings; and
6. Any further relief that this Court deems just and proper.

COUNT TWO

25. Plaintiffs repeat the allegations contained in paragraphs 1-24 as if set forth at length herein.

26. Defendant's Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc.,

filed mechanic's liens against Mountain Ridge Development, LLC and Jarmison Group of New York, LLC on November 7, 2007. Said liens were over exaggerated included land which had been previously conveyed to good faith purchases for the following units:

- 1) 13-3 known as tax map ID# 123-1-1.-19 which was sold on October 12, 2007;
- 2) 14-1 known as tax map ID# 123-1-1.-23 which was sold on October 10, 2007;
- 3) 14-2 known as tax map ID# 123-1-1.-24 which was sold on September 26, 2007;
- 4) 14-4 known as tax map ID# 123-1-1.-26 which was sold on September 28, 2007;

27. Defendants were notified of the over exaggerated liens, for the units previously conveyed, by letters dated November 9, 2007 and November 27, 2007.

28. Defendant's failed and continue to fail to voluntarily vacate the Mechanic's Liens to the detriment of the Plaintiffs Mountain Ridge Development, LLC and Jarmison Group of NY, LLC in violation of Sections 3, 4, 9 and 39 (a) of the New York Lien Law.

WHEREFORE, Plaintiffs Mountain Ridge Development, LLC and Jarmison Group of New York, LLC demands Judgment as follows:

1. Judgment against the Defendant;
2. Immediate and permanent Discharge of the Mechanic's Liens filed by Stevenson Millwork, LLC and Stevenson Lumber Company-Newburgh, Inc. v. Mountain Ridge Development, LLC and Jarmison Group of New York, LLC against the real property listed on the attached Schedule A.
3. Compensatory Damages in an amount to be determined by the Court but not less than \$150,000.00 along with costs disbursements reasonable attorneys fees and interests;
4. Punitive Damages of \$250,000.00;
5. Sanctions against both the defendants and its counsel for the improper filing; and
6. Any further relief that this Court deems just and proper.

COUNT THREE

29. Plaintiffs repeat the allegations contained in paragraphs 1-29 as if set forth at length herein.

30. Defendant's Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc., filed three (3) Mechanic's Liens against property owned by Mountain Ridge Development against the contracted interest of Jarmison Group of NY dated November 5, 2007, filed on November 7, 2007.

31. Defendant's liens fail to meet the requirements established in Section 9 of the New York Lien Law. In that it failed to list Defendant's New York business address.

32. Due to the deficiency in the lien filing, the Mechanic's Liens should be immediately vacated due to its failure to meet the statutory requirements of Section 9 of the New York Lien Law.

WHEREFORE, Plaintiffs Mountain Ridge Development, LLC and Jarmison Group of New York, LLC demands Judgment as follows:

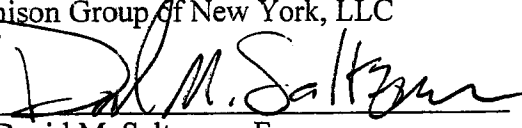
1. Judgment against the Defendant;
2. Immediate and permanent Discharge of the Mechanic's Liens filed by Stevenson Millwork, LLC and Stevenson Lumber Company-Newburgh, Inc. v. Mountain Ridge Development, LLC and Jarmison Group of New York, LLC against the real property listed on the attached Schedule A.


Date: Newburgh, New York
November 29, 2007

Yours truly,

DAVID M. SALTZMAN, ESQ.
Associate Counsel,
Jarmison Group of New York, LLC

By:


David M. Saltzman, Esq.
Attorney for Plaintiff
100 Delafield Lane
Newburgh, New York 12550
(845) 556-3156



FRED TEICHER
Managing Member
Mountain Ridge Development, LLC

VERIFICATION

[illegible]

JEREMY K. TEICHER, being duly sworn, says: I am Executive Vice President of the Jarmison Group of New York, LLC one of the Plaintiffs in the above action; that I have read the annexed Verified Complaint, know the contents thereof and the same are true to my knowledge, except those matters therein which are stated to be alleged on information and belief, and as to those matters, I believe them to be true.

My belief, as to those matters therein not stated upon knowledge, is based upon a review of the Plaintiff's records.


JEREMY K. TEICHER
Executive Vice President
Jarmison Group of NY, LLC

Schedule "A"

Highland Manor Townhouses at Meadow Winds Condominium Site Map 471-07
Municipality of Newburgh, County of Orange

<u>Tax Map ID</u>	<u>Owner</u>	<u>Unit</u>	<u>Street Name</u>
123-1-1.-1	Mountain Ridge Development LLC	10-1	Orleans Road
123-1-1.-2	Mountain Ridge Development LLC	10-2	Orleans Road
123-1-1.-3	Mountain Ridge Development LLC	10-3	Orleans Road
123-1-1.-4	Mountain Ridge Development LLC	10-4	Orleans Road
123-1-1.-5	Mountain Ridge Development LLC	10-5	Orleans Road
123-1-1.-6	Mountain Ridge Development LLC	10-6	Orleans Road
123-1-1.-7	Mountain Ridge Development LLC	11-1	Orleans Road
123-1-1.-8	Mountain Ridge Development LLC	11-2	Orleans Road
123-1-1.-9	Mountain Ridge Development LLC	11-3	Orleans Road
123-1-1.-10	Mountain Ridge Development LLC	11-4	Orleans Road
123-1-1.-11	Mountain Ridge Development LLC	12-1	Orleans Road
123-1-1.-12	Mountain Ridge Development LLC	12-2	Orleans Road
123-1-1.-13	Mountain Ridge Development LLC	12-3	Orleans Road
123-1-1.-14	Mountain Ridge Development LLC	12-4	Orleans Road
123-1-1.-15	Mountain Ridge Development LLC	12-5	Orleans Road
123-1-1.-16	Mountain Ridge Development LLC	12-6	Orleans Road
123-1-1.-19	Mountain Ridge Development LLC	13-3	Orleans Road
123-1-1.-20	Mountain Ridge Development LLC	13-4	Orleans Road
123-1-1.-21	Mountain Ridge Development LLC	13-5	Orleans Road
123-1-1.-23	Mountain Ridge Development LLC	14-1	Orleans Road
123-1-1.-24	Mountain Ridge Development LLC	14-2	Orleans Road
123-1-1.-25	Mountain Ridge Development LLC	14-3	Orleans Road
123-1-1.-26	Mountain Ridge Development LLC	14-4	Orleans Road
123-1-1.-27	Mountain Ridge Development LLC	14-5	Orleans Road
123-1-1.-28	Mountain Ridge Development LLC	14-6	Orleans Road

STUART I. TEICHER, Esq.
GENERAL COUNSEL AND SENIOR VICE PRESIDENT

DAVID M. SALTZMAN, Esq.
ASSOCIATE COUNSEL

MR. TEICHER IS ADMITTED NY, NJ & PA
EMAIL: siteicher@teicherorg.com

MR. SALTZMAN IS ADMITTED NY & NJ
EMAIL: dsaltzman@teicherorg.com

PLEASE RESPOND TO: NEW JERSEY OFFICE

MOUNTAIN RIDGE DEVELOPMENT, LLC

758 STATE HIGHWAY 18, SUITE 103
EAST BRUNSWICK, NEW JERSEY 08816

(732) 698-2666

FAX: (732) 698-2671

<http://www.teicherorg.com>

SENT VIA FAX 914-428-2172 & REGULAR MAIL

73 CROWN STREET
KINGSTON, NEW YORK 12401
(845) 338-2140
FAX: (845) 338-2623

108 CRESTWOODS LANE
P.O. BOX 643
POCONO PINES, PENNSYLVANIA 18350
(570) 643-3180
FAX: (570) 643-3145

November 19, 2007

Michael R. Wood, Esq.
Welby Brady & Greenblatt, LLp
Westchester Financial Center
11 Martine Avenue
White Plains, NY 10606

RE: Mechanics Liens
Highland Manor Townhomes, Newburgh, New York
Stevenson Lumber

Dear Mr. Wood:

I am Associate Counsel to the Jarmison Group, Inc. ("Jarmison"), Jarmison Group of NY, LLC, ("Jarmison, NY") and Mountain Ridge Development, LLC ("Mountain Ridge"). I am in receipt of your November 7, 2007 correspondence regarding the Mechanic's Liens which you have filed on behalf of your clients Stevenson Millwork, Inc., Stevenson Lumber Company, Newburgh, Inc., (collectively "Stevenson").

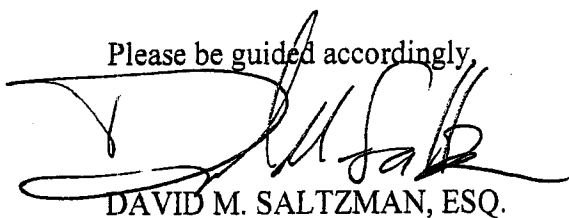
I have had the opportunity to review the liens which appear to be factually deficient. Your liens unlawfully and incorrectly include property for which your client did not provide any materials. Specifically, Buildings 10 & 11, which are not yet in the stage of development that your client's materials would be used. Your lien is incorrect and should be immediately vacated.

Upon further review, the lien is also technically deficient and may be rendered unenforceable by the courts. Demand is hereby made that you immediately vacate the mechanic's liens filed on behalf of your clients. In the event that the incorrectly filed liens

DAVID M. SALTZMAN, ESQ

are not vacated by November 21, 2007, my client may be compelled to commence an action to vacate the liens and will seek costs and fees for this filing.

Please be guided accordingly.

A handwritten signature in black ink, appearing to read 'D. Saltzman', is written over the typed name. The signature is fluid and cursive.

DAVID M. SALTZMAN, ESQ.

DMS:o
Enclosures

cc Fred Teicher
Stuart I. Teicher, Esq.
Jeremy K. Teicher

STUART I. TEICHER, Esq.
GENERAL COUNSEL AND SENIOR VICE PRESIDENT

DAVID M. SALTZMAN, Esq.
ASSOCIATE COUNSEL

MR. TEICHER IS ADMITTED NY, NJ & PA
EMAIL: siteicher@teicherorg.com

MR. SALTZMAN IS ADMITTED NY & NJ
EMAIL: dsaltzman@teicherorg.com

PLEASE RESPOND TO: NEW JERSEY OFFICE

MOUNTAIN RIDGE DEVELOPMENT, LLC

758 STATE HIGHWAY 18, SUITE 103
EAST BRUNSWICK, NEW JERSEY 08816

(732) 698-2666

FAX: (732) 698-2671

<http://www.teicherorg.com>

SENT VIA FAX 914-428-2172 & REGULAR MAIL

November 27, 2007

Michael R. Wood, Esq.
Welby Brady & Greenblatt, LLP
Westchester Financial Center
11 Martine Avenue
White Plains, NY 10606

RE: Mechanics Liens - Highland Manor Townhomes, Newburgh, New York
Stevenson Lumber

Dear Mr. Wood:

As you are aware, I represent the Jarmison Group, Inc. ("Jarmison"), Jarmison Group of NY, LLC, ("Jarmison, NY") and Mountain Ridge Development, LLC ("Mountain Ridge"). I have had the opportunity to review your client's settlement proposal and reject same. Moving forward, I have reviewed your liens which are deficient for the following reasons and must be immediately vacated.

Improper lien submission: Units

Your client's liens have included units to which title has already been transferred. Your acts have unlawfully clouded title to the following properties which were sold to good faith purchasers. Your liens have unnecessarily and willfully been filed for units that were known to be transferred prior to your client's lien filing. The sale of these properties would have been discovered had your client conducted a cursory Record Owner or title search

<u>Tax Map ID</u>	<u>Unit</u>	<u>Buyer</u>	<u>Closing Date</u>
123-1-1.-19	13-3	Chan/Lim	October 12, 2007
123-1-1.-23	14-1	Holness	October 10, 2007
123-1-1.-24	14-2	Bowman	September 26, 2007
123-1-1.-26	14-4	Fernandez	September 28, 2007

DAVID M. SALTZMAN, ESQ

Your failure to conduct a title search and total abdication of basic due diligence prior to filing the lien has violated the New York Lien Law. See, Tri-State Sol-Aire Corp. v. Lakeville Pace Mech., 221 A.D.2d 519, N.Y.S.2d 834 2d Dept. 1995.

Improper Lien Filing: Buildings

As I indicated in my previous correspondence of November 19, 2007, your lien filings are inappropriate and overly exaggerate your client's position. Both Buildings 10 and 11 have barely begun, and are not at the stage of construction where any of your clients' lumber materials have been used. Your client has no legal right to any lien claims against these buildings and the units within, as your client provided no materials to these buildings. Your failure to vacate the Mechanic's Liens after notice of the incorrect filing will subject both your firm and your client to a demand for sanctions by both Jarmison and Mountain Ridge.

Failure to appropriately allocate liens:

As your client is well aware, individual purchase orders were provided on a per unit basis. Your failure to allocate your clients purported liens as to the amounts owed on a per unit basis unnecessarily complicates the matter and is in contradiction to the spirit of the New York Lien Law. Without acknowledging any propriety of your clients liens, your over inclusive filing has unnecessarily included units for which your client had no legal right to lien.

To that effect, I have taken the next logical step to determine the correct amounts owed for the units which are due to be sold in the near future, these amounts are verifiable through a review of your clients invoices. I have taken the time to review the purchase orders for those units to determine the correct amounts due:

Bldg 14 Unit 3 = \$9,396.08 + \$355.62* = \$9,751.70

Bldg 14 Unit 6 = \$2,547.43 + \$355.62 * = \$2,903.05

Please consult your client to determine if they will accept the amounts correctly attributable to those units to immediately release the liens which affect these units.

Please be advised that I am currently in the process of drafting an Order to Show Cause and Verified Complaint to vacate your client's Mechanics Liens. In the event the liens are not immediately voluntarily released. I will be compelled to file the Order to Show Cause and will seek legal fees, costs for the application as well as monetary sanctions against both your firm and your clients.

* The additional amount of \$355.62 as calculated above is for one outstanding invoice due for certain amounts due on Building 14 in the amount of \$2,133.74, when apportioned for each unit in that building.

DAVID M. SALTZMAN, ESQ

In closing, in the event your client is not inclined to voluntarily vacate the liens and/or accept the interim settlements as allocated my client will gladly bond the lien amounts in order to complete the previously noted closings.

Please be guided accordingly,

A handwritten signature in black ink, appearing to read "D. M. Saltzman". The signature is fluid and cursive, with a large initial "D" and "M".

DAVID M. SALTZMAN, ESQ.

DMS:o
Enclosures

cc Fred Teicher
Stuart I. Teicher, Esq.
Jeremy K. Teicher

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

MOUNTAIN RIDGE DEVELOPMENT, LLC,
JARMISON GROUP OF NEW YORK, LLC, and

Plaintiffs,

- against -


STEVENSON MILLWORK, INC.
STEVENSON LUMBER COMPANY-NEWBURGH, INC.

Defendants,

ORDER TO SHOW CAUSE

2007 - 11686

Upon the petition of Mountain Ridge Development, LLC and Jarmison Group of New York, LLC verified the 28th day of November, 2007, annexed hereto, it is

 ORDERED that Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc. show cause before this Court at Goshen, New York, on the 20th day of ~~December~~ ^{January} 2008, at 9³⁰ o'clock in the fore noon of that day, or as soon thereafter as the parties can be heard, why an Order should not be made pursuant to New York Lien Law 3, 4, 9 and 39(a) dismissing the three (3) Defendants Mechanic's Liens dated November 5, 2007 and filed on or about November 7, 2007 in the Orange County Clerks Office and why such other and further relief should not be granted as the Court may determine, and it is further

ORDERED that service by overnight mail of a copy of this order together with the papers upon which it is granted upon Defendant's (Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc.) attorney Michael R. Wood, Esq. on or before the 14th day of December, 2007, be deemed sufficient service.

Submission only. No appearances required.

Dated: December 10, 2007

ENTER

Hon. 

HON. WILLIAM J. GIACOMO
J.S.C.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

MOUNTAIN RIDGE DEVELOPMENT, LLC,
JARMISON GROUP OF NEW YORK, LLC, and

Plaintiffs,

- against -

STEVENSON MILLWORK, INC.
STEVENSON LUMBER COMPANY-NEWBURGH, INC.

Defendants,

ORDER TO SHOW CAUSE

Upon the petition of Mountain Ridge Development, LLC and Jarmison Group of New York, LLC verified the 28th day of November, 2007, annexed hereto, it is

ORDERED that Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc. show cause before this Court at Goshen, New York, on the ____ day of December, 2007, at ____ o'clock in the ____ noon of that day, or as soon thereafter as the parties can be heard, why an Order should not be made pursuant to New York Lien Law 3, 4, 9 and 39(a) dismissing the three (3) Defendants Mechanic's Liens dated November 5, 2007 and filed on or about November 7, 2007 in the Orange County Clerks Office and why such other and further relief should not be granted as the Court may determine, and it is further

ORDERED that service by ____ of a copy of this order together with the papers upon which it is granted upon Defendant's (Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc.) attorney Michael R. Wood, Esq. on or before the ____ day of ____, 2007, be deemed sufficient service.

Dated: December ____, 2007

ENTER:

Hon. _____

At a motion Term of the Supreme Court of
the State of New York
Held in and for the County of Orange at the
Supreme Courthouse, 255 Main Street,
Goshen, New York, on the ____ day of
_____, 20____.

PRESENT:

HON. _____
Justice.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

MOUNTAIN RIDGE DEVELOPMENT, LLC :
JARMISON GROUP OF NEW YORK, LLC :
PROPERTY OWNER :
Plaintiffs, :
:
STEVENSON MILLWORK, INC. :
STEVENSON LUMBER COMPANY- :
NEWBURGH, INC. :
Defendants, :
_____:

Index No.

**ORDER DISCHARGING
MECHANIC'S LIENS FOR
PRIVATE IMPROVEMENTS
PURSUANT TO § 39(a) OF
THE NEW YORK LIEN LAW**

Upon reading and filing the Order to Show Cause dated November 28, 2007, the affidavits of Jeremy K. Teicher and Fred Teicher, sworn on the 28th day of November, 2007, with exhibits attached thereto, for an Order, pursuant to Sections 3, 4, 9 and 39(a), of the New York Lien Law discharging certain liens for private improvements against the properties contained in the attached Schedule A, all located in Newburgh, NY 12550. Wherein it appears that said material providers, Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc. provided materials to Jarmison Group of New York, LLC to be used on a portion of said property, and it appearing from said petition that three (3) notices of mechanic's liens were filed by Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc. in the sum of (1) \$52,442.09, (2) \$4,267.48 and (3) \$5,955.53 by said material provider, which liens were filed on or about November 3, 2007, was filed on property for which it held no liens rights, and it further appearing that, at the time of the filling of said lien that Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc. used an inappropriate and overly inclusive description to exaggerate the size of the lien and the building and units which are the

inclusive description to exaggerate the size of the lien and the building and units which are the subject of the liens which it had no legal claim against, therefore, said liens should be cancelled and discharged of record,

NOW THEREFORE, on the application by an Order to Show Cause of David M. Saltzman, Esq., attorney for said Mountain Ridge Development, LLC, Jarmison Group of New York, LLC, and Jarmison Group, Inc. it is

ORDERED, that Plaintiffs Applications to discharge mechanics liens against the following contained in Schedule A all located, Newburgh, NY 12550 is hereby granted and it is further.

ORDERED, that the mechanics liens against the following properties listed in the attached Schedule A all located in, Newburgh, NY 12550 and dated November 5, 2007 and filed in the Orange County Clerks offices on September ___, 2007 by Stevenson Millwork, Inc., and Stevenson Lumber Company-Newburgh, Inc., be hereby discharged, and it is further,

ORDERED, that upon the filing in the offices of the above-named Orange County Clerk where said liens were filed, a certified copy of this Order, said offices are hereby directed to mark the said liens discharged pursuant to Lien Law 39(a) on the docket together with a reference to this order.

ENTER

Justice of the Supreme Court

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

MOUNTAIN RIDGE DEVELOPMENT, LLC,
JARMISON GROUP OF NEW YORK, LLC, and
Plaintiffs,

- against -

STEVENSON MILLWORK, INC and
STEVENSON LUMBER COMPANY-NEWBURGH, INC
Defendants,

**AFFIRMATION IN SUPPORT
OF PLAINTIFF'S ORDER TO
SHOW CAUSE AND VERIFIED
COMPLAINT DISCHARGING
MECHANICS LIENS FOR
PRIVATE IMPROVEMENTS
PURSUANT TO LIEN
LAWS 3, 4, 9 AND 39(a) OF
THE NEW YORK LIEN LAW**

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

Jeremy K. Teicher, being duly sworn, deposes and says:

1. I am Executive Vice President of the Plaintiff, Jarmison Group of NY, LLC ("Jarmison" or "Plaintiff"), a New York Limited Liability Company with its offices located at 758 State Highway 18, Suite 103, East Brunswick, NJ 08816.

2. Jarmison Group of NY, LLC is a General Contractor in the business of Residential Real Estate Construction in the State of New York.

3. This affidavit is made in support of the Plaintiff's Order to Show Cause and Verified Complaint pursuant to Section 3, 4, 9 and 39(a), of the New York Lien Law for an Order to Discharge Defendant's three (3) mechanic's liens upon private improvements dated November 5, 2007 & recorded on or about November 7, 2007 in the Orange County Clerk's Office, in the amounts of (a) \$52,442.09, (b) \$4,267.48, (c) \$5,955.53 against the properties attached as Schedule A, all of which are located in Newburgh, NY 12550, filed by Stevenson Millwork, Inc. and Stevenson Lumber Company-Newburgh, Inc. (hereinafter "Stevenson").

4. Jarmison, is a General Contractor entered into various purchase order agreements for construction materials from the suppliers, Stevenson, for materials to a portion of the property

owned by Jarmison Group of NY, LLC in Newburgh, New York where the General Contractor, Jarmison, is constructing 28 townhomes known as "Highland Manor Townhomes" or the "Site".

5. Jarmison & Stevenson had previously entered into a certain purchase order agreement to purchase material for only the 28 Townhome Units which was the last phase of which consisted of five (5) buildings known as Buildings 10, 11, 12, 13 and 14.

6. As part of the products requested under Purchase Order Agreements. Stevenson only provided materials to buildings 12, 13, and 14 located in Newburgh, NY 12550.

7. No building materials were provided by the defendants to Building 10 and 11.

8. Due to unfavorable market conditions, Jarmison Group of NY, LLC became unable to make payments to Stevenson on amounts owed.

9. Thereafter, Stevenson filed three (3) notices of mechanic's liens with the Orange County Clerk dated November 5, 2007 and filed on or about November 7, 2007, which were improperly filed against additional property which it had no right to lien to wit building 10 and 11.

10. Defendants improperly filed three (3) mechanics' liens against units which it knew or should have known which were conveyed to good faith purchasers prior to the lien filings.

11. Defendant was only entitled to mechanic's liens for the portions of the site for which materials were provided by Defendants. Defendants' mechanic's liens grossly overstate the property location of the area, subject to the lien.

12. Upon information and belief, no assignment has been filed of the aforesaid liens and no action has been commenced to foreclose same.

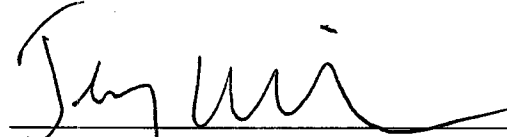
13. As previously indicated Jarmison seeks the removal of the three (3) liens pursuant to New York Lien Law 3, 4, 9 and 39(a) due to the fact that the defendant has exaggerated both the buildings and the units subject to the lien.

14. Upon discovery by Jarmison of the liened lots, correspondence was forwarded to counsel for Stevenson dated November 19, 2007 and November 27, 2007, which demanded the release of the mechanic's liens. See Exhibit B attached hereto.

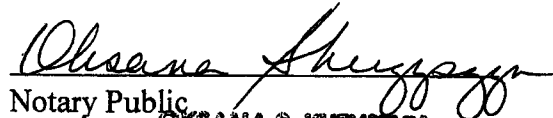
15. Plaintiff's request to vacate the mechanic's liens was either denied or ignored by the Defendants.

16. Deponent is Senior Vice President and contractor, requests pursuant to statute (Lien Law 3, 4, 9 and 39(a) an Order of the Court directed to the Clerk of Orange County to discharge the three (3) liens against the properties contained in Schedule A.

17. No previous application has been made for the relief herein sought.


Jeremy K. Teicher

Sworn to before me this
30th day of November 2007.


Notary Public
OKSANA S. KUZYSZYN
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 5/10/2010

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

MOUNTAIN RIDGE DEVELOPMENT, LLC,
JARMISON GROUP OF NEW YORK, LLC, and
Plaintiffs,

- against -

STEVENSON MILLWORK, INC and
STEVENSON LUMBER COMPANY-NEWBURGH, INC
Defendants,

**AFFIRMATION IN SUPPORT
OF PLAINTIFF'S ORDER TO
SHOW CAUSE AND VERIFIED
COMPLAINT DISCHARGING
MECHANICS LIENS FOR
PRIVATE IMPROVEMENTS
PURSUANT TO LIEN
LAWS 3, 4, 9 AND 39(a) OF
THE NEW YORK LIEN LAW**

STATE OF NEW YORK)
)ss.:
COUNTY OF ORANGE)

Fred Teicher, being duly sworn, deposes and says:

1. I am Managing Member of the Plaintiff, Mountain Ridge Development, LLC ("Mountain" or "Plaintiff"), a New York Limited Liability Company with its offices located at 758 State Highway 18, Suite 103, East Brunswick, NJ 08816.

2. Mountain Ridge Development, LLC is the owner of the land located in Newburgh, New York, which is the subject of this Application.

3. This affidavit is made in support of the Plaintiff's Order to Show Cause and Verified Complaint pursuant to Section 3, 4, 9 and 39(a), of the New York Lien Law for an Order to Discharge Defendant's three (3) mechanic's liens upon private improvements dated November 5, 2007 & recorded on or about November 7, 2007 in the Orange County Clerk's Office, in the amounts of (a) \$52,442.09, (b) \$4,267.48, (c) \$5,955.53 against the properties attached as Schedule A, all of which are located in Newburgh, NY 12550, filed by Stevenson Millwork, Inc. and Stevenson Lumber Company-Newburgh, Inc. (hereinafter "Stevenson").

4. Jarmison, the General Contractor entered into various purchase order agreements for construction materials from the suppliers, Stevenson, for materials to a portion of the property owned by Mountain Ridge Development, LLC in Newburgh, New York where the General

Contractor, Jarmison, is constructing 28 townhomes known as "Highland Manor Townhomes" or the "Site".

5. Jarmison & Stevenson had previously entered into a certain purchase order agreement to purchase material for the 28 Townhome Units which consisted of five (5) buildings known as Buildings 10, 11, 12, 13 and 14.

6. As part of the products requested under Purchase Order Agreements. Stevenson only provided materials to buildings 12, 13, and 14 located in Newburgh, NY 12550. See Exhibit "A".

7. No building materials were provided by the defendants to Building 10 and 11.

8. Due to unfavorable market conditions, Jarmison Group of NY, LLC became unable to make payments to Stevenson on amounts owed.

9. Thereafter, Stevenson filed three (3) notices of mechanic's liens with the Orange County Clerk dated November 5, 2007 and filed on or about November 7, 2007, which were improperly filed against additional property which it had no right to lien to wit building 10 and 11.

10. Defendants improperly filed three (3) mechanics' liens against units which it knew or should have known which were conveyed to good faith purchases prior to the lien filings.

11. Defendant was only entitled to mechanic's liens for the portions of the site for which materials were provided by Defendants. Defendants' mechanic's liens grossly overstate the property location of the area subject to the lien.

12. Upon information and belief, no assignment has been filed of the aforesaid liens and no action has been commenced to foreclose same.

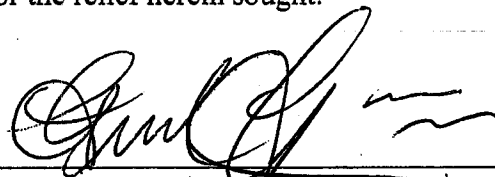
13. As previously indicated, Jarmison seeks the removal of the three (3) liens pursuant to New York Lien Law 3, 4, 9 and 39(a) due to the fact that the defendant has exaggerated both the buildings and the units subject to the lien.

14. Upon discovery by Mountain Ridge of the lien'd lots, correspondence was forwarded to counsel for Stevenson dated November 19, 2007 and November 27, 2007, which demanded the release of the mechanic's liens. See Exhibit B attached hereto.

15. Plaintiff's request to vacate the mechanic's liens was either denied or ignored by the Defendants.

16. Deponent, Managing Member of Mountain Ridge Development, LLC, requests pursuant to statute (Lien Law 3, 4, 9 and 39(a)) an Order of the Court directed to the Clerk of Orange County to discharge the three (3) liens against the properties contained in Schedule A.

17. No previous application has been made for the relief herein sought.



Fred Teicher, Managing Member
Mountain Ridge Development, LLC

Sworn to before me this
30th day of November, 20 07.



Notary Public

OKSANA I. KUZYSZYN
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 6/10/2010

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF ORANGE

-----X
MOUNTAIN RIDGE DEVELOPMENT, LLC, and
THE JARMISON GROUP OF NEW YORK, LLC

Index No.: 2007-11686

Plaintiffs,

-against-

**NOTICE OF FILING
OF REMOVAL**

STEVENSON MILLWORK, INC. and STEVENSON
LUMBER COMPANY-NEWBURGH, INC.,

Defendants.
-----X


C O U N S E L :

Please take notice that the within is a true copy of a Notice of Removal of the above-captioned action from the Supreme Court of the State of New York, County of Orange to the United States District Court for the Southern District of New York, filed with the Clerk of the United States District Court for the Southern District of New York on December 21, 2007.

Dated: White Plains, New York
December 21, 2007

Respectfully submitted,

WELBY, BRADY & GREENBLATT, LLP



Thomas Tripodianos (TST-0048)
Attorneys for Defendants
Stevenson Lumber Company-Newburgh, Inc.
Stevenson Millwork, Inc.
Westchester Financial Center
11 Martine Avenue, Penthouse
White Plains, New York 10606
Tel (914) 428-2100

TO: David M. Saltzman, Esq.
Attorney for Plaintiffs
100 Delafield Lane
Newburgh, New York 12550